

Maurice Hinchey NEWS

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HOSPITAL LEGISLATION MUST BENEFIT ENTIRE REGION

WASHINGTON -- U.S. Rep. Maurice Hinchey (D-NY) released the following statement today regarding the reclassification of local hospitals into the New York City Metropolitan Statistical Area, which would provide a substantial increase in the hospitals' reimbursement rates from Medicare:

"Although I'm sorry that I'm not able to join my friends today from the Ulster and Sullivan county hospitals and my colleagues from other branches of government, I am deeply committed to this effort. Over the past three years, I have worked hard to bring all of mid-Hudson Valley hospitals in Dutchess, Orange, Sullivan and Ulster counties into the New York City reimbursement area. This work has been much harder over the past several weeks, as we have worked to modify language in an appropriations bill that would pit hospitals in Sullivan and Ulster counties against those in Dutchess and Orange.

"This is a regional problem that requires a regional solution. All of our hospitals are struggling financially due to cuts in Medicare payments, a problem that is exacerbated by a serious labor shortage in the health care industry. Hospitals that already receive the substantially higher New York City reimbursement rate are in a position to pay much higher wages and lure health care workers away from local hospitals. It is very difficult for our hospitals to compete effectively and provide the quality health care we have come to expect when they have the appropriate financial resources.

"The fact is, every health care institution in the Hudson Valley is already competing with hospitals in the greater New York metropolitan region for workers, so every hospital in the region needs to receive the same reimbursement rate from Medicare. It's only fair and reasonable that the playing field be leveled.

"Unfortunately, there is legislation on the table that would give the higher payment rate to Dutchess and Orange counties, while excluding those in Ulster and Sullivan counties. Because these counties compete against each other most directly for workers, it would devastate the hospitals in Ulster and Sullivan counties. If the legislation is enacted in its current form, there will be dire financial consequences for those hospitals and dire consequences for all of us who rely on their care.

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"The legislative provision must include all four counties, without question, and I have worked feverishly over the last several weeks to make that change. Although I am not a member of the joint House-Senate conference committee, which will ultimately negotiate the final language of this bill, I have contacted every Democratic member of the committee in both the House and Senate, and have personally and repeatedly lobbied our own senators, the chairman of the Senate Finance Committee, the chairman of the Senate Appropriations Committee, and the Democratic leaders on the House Appropriations Committee.

"So far, there has been a great deal of resistance to including the provision in the bill from appropriators in both the House and the Senate because the provision is not within the jurisdiction of that committee. A legislative provision of this type would not, in the normal order of business, be added to an appropriations bill. If it is to be included in the final version of the bill, however, I have been advocating forcefully that it must include all of the mid-Hudson counties.

"It is likely that a final agreement on the appropriations bill will be reached this week, so it is imperative that we have the strong support of our senators and the bipartisan support of the Hudson Valley congressional delegation to make sure that this provision benefits all four counties."

A legislative rider that reclassified hospitals in Dutchess and Orange counties into the New York MSA was attached to the House version of the 2002 Emergency Supplemental Appropriations Act, which would fund emergency military funding and New York City disaster recovery efforts. The provision was not included in the Senate's version of the bill, so a joint House-Senate conference committee must negotiate a final agreement.